

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re: §
SHERIDAN HOLDING COMPANY II, LLC, *et al.*,¹ § Chapter 11
Debtors. § Case No. 19-35198
§ (Jointly Administered)
§

**DEBTORS' EMERGENCY MOTION FOR STATUS CONFERENCE AND
CONTINUANCE OF THE CONFIRMATION HEARING**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

EMERGENCY RELIEF HAS BEEN REQUESTED. IF THE COURT CONSIDERS THE MOTION ON AN EMERGENCY BASIS, THEN YOU WILL HAVE LESS THAN 21 DAYS TO ANSWER. IF YOU OBJECT TO THE REQUESTED RELIEF OR IF YOU BELIEVE THAT THE EMERGENCY CONSIDERATION IS NOT WARRANTED, YOU SHOULD FILE AN IMMEDIATE RESPONSE.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

The above-captioned debtors and debtors in possession (collectively, the "Debtors") respectfully state the following in support of this motion (the "Motion"):

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, include: Sheridan Holding Company II, LLC (7040); Sheridan Investment Partners II GP, LLC (8298); Sheridan Investment Partners II, L.P. (9405); Sheridan Production Partners II, LLC (8034); Sheridan Production Partners II-A, L.P. (8813); Sheridan Production Partners II-B, L.P. (9232); Sheridan Production Partners II-M, L.P. (9084); SPP II-B GP, LLC (8554); and SPP II-M GP, LLC (0488). The location of the Debtors' service address is: 1360 Post Oak Blvd., Suite 2500, Houston, Texas 77056.

Relief Requested

1. The hearing regarding confirmation of the Debtors' plan is scheduled for November 7, 2019. The Debtors seek a short continuance of the confirmation date but wish to maintain the November 7, 2019 setting so that the Court may conduct a telephonic status conference.

Jurisdiction and Venue

2. The United States Bankruptcy Court for the Southern District of Texas (the “Court”) has jurisdiction over this matter pursuant to 28 U.S.C. § 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b). The Debtors confirm their consent, pursuant to Rule 7008 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), to the entry of a final order by the Court in connection with this Motion to the extent that it is later determined that the Court, absent consent of the parties, cannot enter final orders or judgments in connection herewith consistent with Article III of the United States Constitution.

3. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

4. The bases for the relief requested herein are sections 105(a), 363(b), and 1107 of title 11 of the United States Code (the “Bankruptcy Code”), Bankruptcy Rule 6004, and Local Rule 4002-1 and 9013-1 of the Bankruptcy Local Rules for the Southern District of Texas (the “Bankruptcy Local Rules”).

Background

5. On September 15, 2019 (the “Petition Date”), each of the Debtors filed a voluntary petition with the Court under chapter 11 of the Bankruptcy Code. On the Petition Date, the Debtors filed their Joint Prepackaged Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code and Chapter 11 Plan (the “Plan”) [ECF No. 10] and their Disclosure Statement Relating to Debtors' Joint Prepackaged Plan of Reorganization Pursuant to Chapter 11 of the Bankruptcy Code and Chapter 11 Plan (the “Disclosure Statement”) [ECF No. 9].

6. On September 24, 2019, the Debtor filed the *Application to Employ Evercore Group, LLC as Investment Banker and Financial Advisory* [ECF No. 107] and *Motion to Seal Certain Confidential Information Related to Evercore Group LLC's Retention Application* (the “Motion to Seal”) [ECF No. 113].

7. The hearing regarding final approval of the Disclosure Statement and confirmation of the Plan, and also the approval of the Evercore retention and the Motion to Seal, is scheduled for November 7, 2019 at 10:00 a.m.

8. The Plan allows the Debtors, with the consent of a majority of their consenting secured lenders, to elect to consummate a sale of substantially all assets to a third-party purchaser pursuant to the Plan. The Debtors, in consultation with the requisite lenders, are negotiating with a bidder regarding a potential sale of the Debtors’ assets but have not yet reached an acceptable form of purchase agreement. With a short continuance, the Debtors anticipate that they will be in a position to finalize the purchase agreement before the hearing or otherwise proceed with confirmation. The Debtors seek entry of an order providing that the November 7, 2019 hearing will be conducted as a telephonic status conference with regards to the Plan and Disclosure Statement. The Debtors engaged with various parties in interest and understand that there is no objection to conducting a status conference on November 7, 2019 and continuing hearings to November 12, 2019 at 2:00 p.m.

9. The Debtors seek entry of an order continuing the hearing on the Motion to Seal and Evercore retention application to November 12, 2019 at 2:00 p.m., however the Debtors expect to withdraw the Motion to Seal and provide the Court with a certificate of no objection regarding the Evercore retention application in advance of the hearing.

Basis for Relief

10. Section 105(a) of the Bankruptcy Code states that “the Court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). Here, the Debtors seek a status conference to update the Court and seek a short extension of time to finalize matters that will pave the path for confirmation.

Notice

11. The Debtors will provide notice of this Motion to: (a) the Office of the U.S. Trustee for the Southern District of Texas; (b) the holders of the 50 largest unsecured claims against the Debtors (on a consolidated basis); (c) the administrative agent under the Debtors’ revolving credit facilities and fund II senior secured term loan facilities and counsel thereto; (d) the administrative agent under the Debtors’ subordinated unsecured term loan facilities and counsel thereto; (e) counsel to the steering committees and ad hoc group of holders of claims specified in clauses (c) and (d); (f) the United States Attorney’s Office for the Southern District of Texas; (g) the Internal Revenue Service; (h) the United States Securities and Exchange Commission; (i) the Environmental Protection Agency and similar state environmental agencies for states in which the Debtors conduct business; (j) the state attorneys general for states in which the Debtors conduct business; and (k) any party that has requested notice pursuant to Bankruptcy Rule 2002. In light of the nature of the relief requested, no other or further notice need be given.

WHEREFORE, the Debtors respectfully request the Court conduct a status conference with regards to confirmation of the Plan and Final Approval of the Disclosure Statement on November 7, 2019 at 10:00 a.m. and granting such other relief as is just and proper.

WHEREFORE, the Debtors respectfully request entry of an amended order, substantially in the form of the Order, granting the relief requested herein and granting such other relief as is just and proper.

Houston, Texas
November 4, 2019

/s/ Matthew C. Cavanaugh

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Certificate of Service

I certify that on the 4th day of November, 2019, I caused a copy of the foregoing document to be served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas.

/s/ Matthew C. Cavenaugh
Matthew C. Cavenaugh
